IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF OHIO EASTERN DIVISION

BIG LOTS STORES, INC. :

Plaintiff, : Case No. 2:14-cv-2635

:

v. : Judge Algenon L. Marbley

ZURICH AMERICAN INSURANCE : Magistrate Judge Elizabeth Preston Deavers

COMPANY, et al.

:

Defendants.

STATUS REPORT OF THE PARTIES

Pursuant to the Court's July 31, 2015 Order, Plaintiff Big Lots Stores, Inc. ("Big Lots") and Defendants Zurich American Insurance Company and American Guarantee Liability Insurance Company ("the Parties") hereby submit this Report to update the Court regarding the status of efforts to resolve this insurance coverage dispute.

When this case was originally filed, there were four underlying cases involving claims against Big Lots for alleged product liability and negligence relating to Big Lots' sale of allegedly defective table top torch lamps which malfunctioned, resulting in personal injuries to the consumers. The first phase of the settlement process involved the Parties' efforts to resolve the four underlying cases. The Parties participated in settlement negotiations and mediations in all of the cases, which resulted in two of the cases being resolved. The cases in Pennsylvania and New Jersey did not settle and are now back in litigation posture.

The second phase of the settlement process involves efforts to resolve the insurance coverage claims set forth in this dispute. The Parties have both expressed a good faith desire to resolve these claims and are working toward scheduling a settlement conference. A global resolution will necessarily need to involve additional insurers and other entities which are not

currently parties to this litigation. The Parties are working to coordinate a settlement conference with all of necessary entities with the goal of achieving a global settlement. We anticipate that this meeting will be scheduled in the next 30 to 45 days.

/s/ Mary F. Geswein

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